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August 15, 2007

BY ELECTRONIC FILING

The Honorable Joseph J. Farnan, Jr.  
United States District Court  
For the District of Delaware  
844 North King Street  
Wilmington, DE 19801

Re: *Nokia Corporation, et al. v. InterDigital Communications*  
C.A. No. 05-016-JJF

Dear Judge Farnan:

Pursuant to paragraph 3 of the March 1, 2007 Amended Scheduling Order (D.I. 171), Plaintiffs Nokia Corporation and Nokia, Inc. ("Nokia") and Defendants InterDigital Communications Corporation and InterDigital Technology Corporation ("InterDigital") (jointly, the "Parties") hereby submit this Joint Interim Status Report.

This case generally involves Nokia's claims, and InterDigital's counterclaims, that the other party violated § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by allegedly making false or misleading statements regarding the essentiality of its patents to 3G mobile telecommunications standards.

In its original complaint filed in January 2005, Nokia asserted a number of now-dismissed declaratory judgment claims, as well as a claim under the Lanham Act. On February 6, 2007, this Court granted Nokia's motion for leave to amend its Complaint to add an additional count under the Lanham Act, as well as various state law causes of action. On February 21, 2007, InterDigital filed its Answer to Nokia's First Amended Complaint and Counterclaims, asserting various defenses to Nokia's Amended Complaint and alleging that Nokia violated § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by making false or misleading statements regarding the essentiality of its patents to 3G standards, as well as various state law claims. On February 21, 2007, InterDigital also moved to dismiss Nokia's First Amended Complaint. Briefing on the motion to dismiss was completed on May 9, 2007.

The Honorable Joseph J. Farnan, Jr.  
August 15, 2007  
Page 2

Fact discovery is ongoing and is scheduled to conclude on December 14, 2007. The Parties have deposed four individuals. Special Master Seitz has ruled on a number of discovery motions.

Pursuant to the Special Master's November 14, 2006 Second Discovery Order, Nokia submitted on December 14, 2006 a statement identifying on a patent-by-patent basis why InterDigital's statements regarding the claimed essentiality of its patents are alleged to be false or misleading and further identifying and explaining why any other statements by InterDigital are alleged to be false or misleading. InterDigital responded to this submission on January 26, 2007. Following its Amended Complaint, Nokia submitted an Addendum to its Statement Pursuant to the Second Discovery Order on March 1, 2007, to which InterDigital responded on May 7, 2007.

In light of InterDigital's Counterclaims asserted in its Answer to Nokia's Amended Complaint, Special Master Seitz ordered InterDigital to submit a statement identifying on a patent-by-patent basis why Nokia's statements regarding the claimed essentiality of its patents are alleged to be false or misleading and further identifying and explaining why any other statements by Nokia are alleged to be false or misleading. On June 14, 2007, InterDigital submitted its statement pursuant to the Special Master's order. Nokia responded to InterDigital's statement on July 30, 2007. InterDigital supplemented its statement on June 28, 2007 and Nokia submitted its supplemental response on August 13, 2007.

Additionally, in March 2007, InterDigital submitted declarations to the European Telecommunications Standards Institute ("ETSI") regarding 26 additional patents (the "Additional InterDigital Patents"). On August 10, 2007, Nokia, by order of the Special Master and while reserving its rights to contest whether the Additional InterDigital Patents should be part of this case, submitted a supplemental Statement Pursuant to the Second Discovery Order, identifying on a patent-by-patent basis why InterDigital's statements regarding the claimed essentiality of 24 of the Additional InterDigital Patents are alleged to be false or misleading and further identifying and explaining why other statements by InterDigital are alleged to be false or misleading. InterDigital's response to this submission is to be submitted by September 14, 2007.


As to the remaining two Additional InterDigital Patents, Nokia has requested a temporary stay regarding submission of a Statement Pursuant to the Second Discovery Order, in view of other litigation that InterDigital initiated on August 7, 2007 regarding those patents, specifically the following two new matters: (1) a patent infringement action in this district, *InterDigital Communications LLC, et al. v. Nokia Corp., et al.*, C.A. No. 07-489; and (2) a complaint filed with the International Trade Commission, *In re Certain 3G Mobile Handsets and Components Thereof*, Investigation No. 337-TA-\_\_\_\_. Nokia's request in this regard remains pending before the Special Master.

On June 29, 2007, Special Master Seitz submitted a proposed Case Management Order to the Court, and on July 9, 2007, he submitted a proposed First Amended Case Management Order, which, upon entry by the Court, will serve to provide certain limits on discovery.

The Honorable Joseph J. Farnan, Jr.  
August 15, 2007  
Page 3

Finally, a mediation before Magistrate Judge Thyng is tentatively scheduled for August 30, 2007. By August 20, 2007, the Parties must confidentially submit mediation statements to Judge Thyng, who will then determine, based upon a review of those statements, whether the mediation should go forward.

Respectfully,

A handwritten signature in black ink, appearing to read "Jack B. Blumenfeld". The signature is fluid and cursive, with the first name "Jack" being more prominent.

Jack B. Blumenfeld (#1014)

JBB/dlb

cc: Clerk of Court (Via Hand Delivery)  
Richard L. Horwitz, Esquire (Via Electronic Mail and Hand Delivery)  
Ron E. Shulman, Esquire (Via Electronic Mail)  
Mark K. Flanagan, Esquire (Via Electronic Mail)  
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